

Hearing:

September 22, 1998

THIS DISPOSITION IS NOT  
CITABLE AS PRECEDENT OF THE TTAB

Paper No. 32

JQ

JULY 23, 99

U.S. DEPARTMENT OF COMMERCE  
PATENT AND TRADEMARK OFFICE

---

Trademark Trial and Appeal Board

---

Citicorp

v.

Citybroker Anlagenvertriebe-GmbH

---

Opposition No. 103,010  
to application Serial No. 74/608,304  
filed on December 8, 1994

---

Steven M. Weinberg and Stephen R. Winkelman of Weinberg  
Sullivan for Citicorp.

Thomas J. Burger and Kathryn P. Evans of Wood, Herron &  
Evans for Citybroker Anlagenvertriebe-GmbH.

---

Before Quinn, Hairston and Walters, Administrative Trademark  
Judges.

Opinion by Quinn, Administrative Trademark Judge:

An application has been filed by Citybroker  
Anlagenvertriebe-GmbH to register the mark CITYBROKER for  
"financial services, namely financial planning related to  
domestic and international securities and including lease-  
purchase and loan financing; computer aided financial  
planning; performing of financial affairs by means of  
telephone, facsimile, and computer networks on international

capital markets, namely trade with and administration of stocks, fixed-interest-bearing securities, options, future contracts and derivatives of the aforementioned financial products for third parties; financial consulting and analysis, namely the analysis of capital markets and investment media independent from trade with and/or administration of the aforementioned finance products as well as advising third parties in respect of these capital markets and investment media; trade of commodities with and registration of international investment trusts for third parties."<sup>1</sup>

Registration has been opposed by Citicorp under Section 2(d) of the Act on the ground that applicant's mark, when used in connection with applicant's services, so resembles opposer's previously used and registered mark CITIBANK and its other CITI-prefix marks for a wide range of financial services, including banking services and investment counseling and investment/brokerage services, as to be likely to cause confusion. Although not pleaded in the notice of opposition, opposer also has raised, essentially by way of Fed. R. Civ. P. 15, an additional ground, namely

---

<sup>1</sup> Application Serial No. 74/608,304, filed December 8, 1994, based on German Registration No. 2,081,100, issued October 19, 1994. Applicant apparently has changed its name to Citybroker Deutschland GmbH. If applicant elects to take an appeal of the Board's decision, the name change should be recorded with the Assignment Branch of the Office so that, in the event applicant

that applicant lacked a bona fide intention to use the mark for the identified services in commerce at the time when the application was filed.

Applicant, in its answer, denied the salient allegations in the notice of opposition.

The record consists of the pleadings; the file of the involved application; trial testimony, with related exhibits, taken by each party; three stipulations regarding factual evidence; certified copies of thirteen of opposer's registrations, a discovery deposition, and applicant's responses to opposer's first set of interrogatories, all introduced by opposer's notices of reliance; and opposer's responses to applicant's first set of interrogatories, first request for production of documents and first request for admissions, all made of record by way of applicant's notice of reliance. Opposer and applicant filed briefs on the case, and both were represented by counsel at an oral hearing held before the Board.

By way of introduction to the readers of this opinion, the Board points out that the drafting of this opinion has been complicated by the fact that so much of the record, and the briefs in their entirety, have been designated as "highly confidential" or "confidential." Thus, the Board is severely constrained by the parties' confidentiality

---

ultimately prevails in this proceeding, a registration would

agreement which precludes us from reciting many of the specific facts contained in the record. The result is an opinion which speaks in very broad terms, without giving, inter alia, the specifics of opposer's significant revenues, advertising expenditures, market share or level of brand awareness. Suffice it to say that the specific facts of record here, which have been designated as confidential, present a significantly more compelling case in support of our decision than this opinion otherwise conveys.

Opposer is a major player in the financial services field, offering a wide range of financial services to a wide range of customers. In rendering these services under its CITI-prefix marks, opposer has attained billions of dollars of revenues. In the process, opposer has expended multi-millions of dollars in promotional efforts, employing a variety of media. *Fortune* magazine has listed opposer as one of the "World's Most Admired Companies."

Applicant is a German entity located in Munich, Germany. Applicant is in the brokerage business, specifically acting as an "introducing broker" for its customers (80-90% of whom are Germans, with the remainder from other European countries). According to Andreas Reichart, one of applicant's two founders and principals, applicant enters trades of U.S. securities for its customers

---

issue in the name of the correct entity.

via the New York City office of U.S. Clearing Corporation (an entity not related to applicant), which holds the accounts for applicant's customers and who serves as the "clearing broker." Most of applicant's 120 clients are individual investors, with only a small percentage of small institutions.

An evidentiary dispute requires our attention before we turn to the merits of the likelihood of confusion claim. The parties have argued back and forth (dating back to testimonial depositions) over opposer's introduction of certain evidence relating to the public's awareness of opposer's CITI-prefix marks. Applicant essentially contends that certain evidence be excluded because, in its view, opposer failed to timely produce the evidence in response to an interrogatory. The Board has considered fully the respective positions of the parties on this matter, taking into account both the arguments made during the testimony depositions and in the briefs. Suffice it to say, we agree with opposer's arguments, and we have considered this evidence in making our decision.<sup>2</sup>

In view of opposer's ownership of valid and subsisting registrations for its marks, there is no issue with respect

---

<sup>2</sup> Even if this evidence were excluded, we would have reached the same result on the merits of this case, given the other significant evidence of record bearing on the renown of opposer's CITI-prefix marks.

to opposer's priority. King Candy Co., Inc. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). Opposer has made the following registrations of record: CITIBANK, CITIBANKING and CITI TREASURY MANAGER for "banking services;" CITICARD for "banking services, namely check cashing services;" CITICASH MANAGER for "banking services provided by electronic means;" CITIACCESS for "banking services; fiduciary representative services;" CITIPHONE BANKING for "financial services, namely providing banking services by telephone;" CITIPAY for "electronic funds transfer services, namely automatic debiting of checking accounts to pay credit card bills;" CITISELECT for "mutual fund and investment management services;" CITIGOLD for "banking services, investment consultation and asset management;" CITIYIELD PLUS for "financial services, namely cash and investment management services;" and CITINETTING for "computer software used for the initiation and retrieval of foreign exchange information" and "financial services in connection with the consolidation and manipulation of foreign exchange information provided by electronic means."<sup>3</sup>

Our determination under Section 2(d) is based on an analysis of all of the probative facts in evidence that are

---

<sup>3</sup> The certified copy of opposer's registration of CITITRADE for "document and data processing services for facilitating international trade" and "financing services for facilitating

relevant to the factors bearing on the likelihood of confusion issue. In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). The factors deemed pertinent in this proceeding are discussed below.

In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the services. We turn first to compare the services of the parties.

Both parties offer investment and brokerage services under their respective marks. Opposer provides a broad array of financial services, including more traditional banking services. The record is replete, however, with evidence showing that opposer renders the same types of brokerage services as those identified in the involved application. As spelled out by Brian Flynn, opposer's director of marketing communications, opposer's goal is "to deliver to the consumer an integrated financial relationship" and, to that end, opposer offers consumers investment planning, investment advice and investment products and services that meet their needs. These services are provided to consumers through opposer's broker-dealer arm, Citicorp Investment Services. There are a variety of ways for consumers to invest through opposer, including at CITIBANK bank branches, over the telephone and on-line.

---

international trade" shows that the registration was canceled for

Applicant's attempts to draw some meaningful distinction between banking services and brokerage services fall far short and ignore the realities of today's financial services industry. The record clearly shows that any banking/brokerage distinction that might have existed in the past is collapsing with the emergence of full service financial institutions. In this connection, Mr. Flynn testified that regulations in the industry have been relaxed, as driven by consumer demand, and that consolidation has occurred. As pointed out by Alice Leopold, an employee of Citicorp Investment Services, banks are now directly competing with the large brokerage houses, with both offering the same types of products and services.

Opposer has recognized this emerging industry practice and, to stay competitive, now offers a "package" of banking/brokerage services under its CITIGOLD mark. Maureen Eslinger, opposer's marketing manager for this brand, testified that banking, borrowing and brokerage services are bundled to "meet our client's needs from A to Z." Ms. Eslinger described CITIGOLD as a "kind of an all-in-one account, one-stop shop in terms of banking, borrowing and investing." The simple fact is that consumers may avail themselves of opposer's banking services and brokerage services from the same person at the same branch, thereby

---

failure to file an affidavit of continued use under Section 8.



rendering virtually meaningless any distinction pointed to by applicant.

Applicant also contends that investors tend to be sophisticated and that this will eliminate the likelihood of confusion. We cannot agree with this proposition. Firstly, as shown by the record, the parties' services are rendered to a wide range of consumers, with varying amounts of funds to invest, including relatively small amounts. Secondly, many investors, as shown by the testimony of opposer's witnesses, are relatively unsophisticated and, therefore, want help in making investment decisions. Thirdly, as testified to by Mr. Flynn, "empirical evidence would suggest that in fact [consumers] don't spend as much time choosing through whom they invest. They spend much more time deciding on what to invest in." Lastly, sophistication about investments does not extrapolate to sophistication in distinguishing between trademarks. Given the legal identity, at least in part, between the services here, and the similar marks under which the services are rendered, even sophisticated consumers likely would be confused. See, e.g., *Charles Schwab & Co. Inc. v. The Hibernia Bank*, 665 F.Supp. 800, 3 USPQ2d 1561 (N.D. Cal. 1987) [likelihood of confusion found between identical marks for brokerage's financial information computer program and bank's home equity line of credit--sophistication of consumers may even

increase the likelihood of confusion inasmuch as they are more aware of the deregulation and diversification of the financial services industry].

In sum, the parties' services are substantially similar and, in certain respects, legally identical for purposes of our analysis. The services would move through the same channels of trade to the same classes of purchasers.

We next turn our focus to the similarity between the marks. As noted above, the parties' services are, at least in part, identical. In such situations, "the degree of similarity [between the marks] necessary to support a conclusion of likely confusion declines." *Century 21 Real Estate Corp. v. Century Life of America*, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992). We find applicant's mark CITYBROKER is sufficiently similar to opposer's CITI-prefix marks, that when used in connection with banking and/or brokerage services, confusion is likely to occur in the marketplace. The record shows that opposer uses, among other marks, CITIBANK for banking, CITITRADE for securities trading, CITICARD for bank card services and CITIPHONE BANKING for telephonic banking services. Applicant's addition of the term "banker" to a CITY prefix in a unitary format may very well lead consumers to believe that opposer has branched out (which, in point of fact, it has done) to offer brokerage services under the mark.

Opposer's marks, in particular the mark CITIBANK, and applicant's mark CITYBROKER are similar in sound and appearance. Indeed, applicant admits that its mark "is similar in appearance to opposer's marks." (brief, p. 30) Although applicant puts stock in the I/Y letter difference, our sense is that this minor visual difference will be lost on many consumers, especially in view of the unitary format of each mark. In any event, the difference is completely lost when the marks are spoken. In finding that the marks are similar, we have kept in mind the normal fallibility of human memory over time and that consumers retain a general rather than a specific impression of trademarks/servicemarks encountered in the marketplace.

In addition, opposer introduced evidence that, on occasion, it has promoted its marks as a play on the commonly understood meaning of the term "city." Such promotions include "The CITI Never Sleeps," "The CITI of Your Dreams," "Summertime in the CITI" and "We built the CITI." Such promotions would, in our view, enhance the likelihood of confusion with applicant's CITYBROKER mark.

We also find that the minor I/Y letter difference is even further diminished in significance given opposer's proofs that it has developed a family of CITI-prefix marks. A family of marks is a group of marks having a recognizable common characteristic, wherein the marks are composed and

used in such a way that the public associates not only the individual marks, but the common characteristic of the family, with the trademark owner. Recognition of the family is achieved when the pattern of usage of the common element is sufficient to be indicative of the origin of the family. *J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 18 USPQ2d 1889 (Fed. Cir. 1991). Applicant has conceded that opposer owns a family of CITI-prefix marks. (brief, p. 41) Moreover, the testimony (and related exhibits) of opposer's witnesses portrays a picture of extensive usage and promotion of opposer's various marks, all using the CITI prefix, in association with the CITIBANK or CITICORP marks, in advertising and at opposer's branch offices.

It hardly need be said that the fame of opposer's family of marks is a critical du Pont factor in opposer's favor in this case. *Kenner Parker Toys v. Rose Art Industries*, 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992) ["[F]ame of the prior mark plays a dominant role in cases featuring a famous or strong mark."] Indeed, the record clearly establishes the widespread fame of opposer's CITIBANK mark and family of CITI-prefix marks in the financial services industry. Opposer's marks have been the subject of extensive exposure in the marketplace. Opposer's claim that its family of marks is famous is supported by truly impressive revenue figures, significant promotional

expenditures, and a high degree of brand awareness. Having found this, we nevertheless recognize that some members of opposer's family of marks do not appear to be as well known as others.

Applicant's evidence of third-party usage does little in this case to diminish the fame of opposer's family of CITI-prefix marks in the financial services field. The bulk of applicant's evidence is in the nature of telephone directory listings of entities whose names include the word "City." Suffice it to say that, unlike advertisements, mere telephone directory listings are not evidence of service mark use. See *In re Broadway Chicken Inc.*, 38 USPQ2d 1559, 1565 (TTAB 1996). In any event, there are infirmities with applicant's evidence which limit its probative value, as for example, some of the entities do not appear to be involved in banking/brokerage services, and many of the entities use "city" as part of a multiple-word name, not as a unitary prefix. The other evidence relied upon by applicant (third-party settlement agreements and National Association Securities Dealers (NASD) membership list) likewise falls short in showing any erosion in the widespread fame of opposer's marks. To the extent that there exist other financial institutions using "city" in their name, it would appear from the evidence and Mr. Flynn's testimony that the use is local in nature. See: *Carl Karcher Enterprises Inc.*

v. Stars Restaurants Corp., 35 USPQ2d 1125, 1130-31 (TTAB 1995). See also: Citibank, N.A. v. The City Bank of San Francisco et al., 206 USPQ 997 (N.D. Cal. 1980).

Another factor that bears upon our determination is the circumstances surrounding applicant's adoption of its mark. Mr. Reichart testified that applicant's prior name was JF Capital Management, the "JF" portion signifying Josef Figl who was the former owner of applicant. When Mr. Reichart became the other owner, they wanted to give the company a "more neutral name." Mr. Reichart testified that no names other than CITYBROKER were considered, and that CITYBROKER has no meaning in German. While Mr. Reichart indicated that the German word for "city" is "stadt," he went on to state that the English word "city" is a part of the language in Germany.

Mr. Reichart's testimony bearing on applicant's selection of CITYBROKER is revealing. At various points in his testimony, Mr. Reichart offered different explanations for the selection. The explanations included that the term would be suggestive of a brokerage in the city of Munich, or that the word "city" referred to the financial district in London.<sup>4</sup> At another point, Mr. Reichart indicated that the

---

<sup>4</sup> We find these explanations a bit strained given the appearance in applicant's brochures of a pictorial representation of the Statue of Liberty. Mr. Reichart explained that the image was used to show a connection with the United States.

term "city" referred to the area of a stock exchange in a city.

A party which knowingly adopts a mark similar to one used by another for similar goods and/or services does so at its peril. In such cases, all doubt on the issue of likelihood of confusion must be resolved against the newcomer. *Nina Ricci S.A.R.L. v. E.T.F. Enterprises Inc.*, 889 F.2d 1070, 12 USPQ2d 1901 (Fed. Cir. 1989); *Kimberly Clark Corp. v. H. Douglas Enterprises, Ltd.*, 774 F.2d 1144, 227 USPQ 541 (Fed. Cir. 1985); and *Gillette Canada Inc. v. Ranir Corp.*, 23 USPQ2d 1768 (TTAB 1992). Mr. Reichart received much of his training in U.S. financial markets while employed at Merrill Lynch, and Mr. Reichart appears to be informed about the field in general. Here, Mr. Reichart, one of applicant's two owners, was well aware, prior to applicant's selection of the involved mark, of the uses of opposer's CITIBANK mark and certain other CITI-prefix marks in the financial services industry. More specifically, Mr. Reichart admitted he was aware that opposer was involved in trading securities. Thus, out of an entire universe of trademarks from which to choose, applicant chose, with full knowledge of opposer's marks, the mark CITYBROKER which is similar to the marks used by opposer, with CITIBANK first used forty years ago. Although Mr. Reichart states that he did not think about opposer's CIIYBANK or CITICORP marks

when he selected CITYBROKER as applicant's mark, we agree with opposer that applicant's choice of the format actually used for its mark also sheds some light on applicant's intentions.<sup>5</sup> See: Specialty Brands, Inc. v. Coffee Bean Distributors, Inc., 748 F.2d 669, 223 USPQ 1281, 1284 (Fed. Cir. 1984) ["there is...no excuse for even approaching the well-known trademark of a competitor, but to do so raises 'but one inference--that of gaining advantage from the wide reputation established by [the prior user] in the [services] bearing the mark'..."; and Kenner Parker Toys Inc., supra at 1458.

Although the evidence falls a little short of establishing a clear case of bad faith adoption, Mr. Reichart's explanations appear a bit weak. See: Tiffany & Co. v. National Gypsum Co., 459 F.2d 527, 173 USPQ 793, 795 (CCPA 1972). In any case, given the other factors in opposer's favor in this case, this evidence certainly is not dispositive in ruling for opposer.

---

<sup>5</sup> Mr. Reichart's denial that, at the very least, he was thinking of opposer's marks when he selected applicant's mark, strains credulity.



We have reached our decision without giving any probative value to opposer's assertion that "there is some evidence of actual confusion in the U.S." Opposer points to Ms. Eslinger's testimony that when she first saw the CITYBROKER mark she thought it identified a new service from opposer, explaining that she thought the letter "Y" was merely a typo. This testimony from an interested witness is hardly the type of evidence of actual confusion that merits any weight. On the flip side, the absence of evidence of actual confusion does not trouble us in the least. Consumers in this country have not been exposed to applicant's mark and, thus, there has been no opportunity for actual confusion.

We also have reached our decision without giving any probative value to the German Patent Office's decision allowing applicant's mark.<sup>6</sup> See, e.g., *Societe Civile Des Domaines Dourthe Freres V. S.A. Consortium Vinicole De Bordeaux Et De La Gironde*, 6 USPQ2d 1205, 1207 n. 6 (TTAB 1988); and *Beck & Co. v. Package Distributors of America, Inc.*, 198 USPQ 573, 575 n. 4 (TTAB 1978).<sup>7</sup> Likewise, the

---

<sup>6</sup> To the extent that applicant points to the foreign tribunal proceedings as validation of its good faith, the decisions, as pointed out by opposer, were issued *after* applicant adopted its mark.

<sup>7</sup> The parties have expended some effort in arguing back and forth over the relevance of evidence bearing on consumer understanding, Patent Office proceedings, the meaning of terms in the German language and the like in Germany. Simply put, the issue for us

fact that NASD has allowed applicant to register as a member notwithstanding the registration of opposer's prior names is of no moment in deciding the issue before us. Although the parties' stipulation reveals that NASD's policy is that "no person or firm shall be admitted to or continued in membership in the [NASD] having a name which is identical to the name of another member appearing on the membership roll of the [NASD] or a name so similar to any such name as to tend to confuse or mislead," the record fails to show NASD's standards, if any, for their determination. In any event, suffice it to say that the decision of a trade association hardly is binding on the Board in making its own independent assessment of likelihood of confusion under the Lanham Trademark Act. Compare, e.g.: *Bacardi & Co. v. Ron Castillo, S.A.*, 178 USPQ 242 (TTAB 1973)[determination by other government agencies not binding on the Board].

In sum, we conclude that purchasers familiar with opposer's wide range of financial services offered under CITIBANK and a family of CITI-prefix marks would be likely to mistakenly believe, upon encountering applicant's mark CITYBROKER for brokerage services, that the services originated with or were somehow associated with or sponsored by the same entity.

---

to consider is the likelihood of confusion among consumers in the United States.

Having determined that opposer is entitled to prevail in this opposition based upon its Section 2(d) claim of likelihood of confusion, we need not reach opposer's allegations regarding applicant's lack of a bona fide intention to use the mark in commerce. Moreover, there is a dispute between the parties whether or not the non-pleaded issue was even tried as contemplated by Fed. R. Civ. P. 15(b). Thus, in the interest of judicial economy, we elect to consider neither whether the claim of the lack of a bona fide intention to use the mark is properly before us, nor the merits of such claim. See: *American Paging Inc. v. American Mobilphone Inc.*, 13 USPQ2d 2036, 2039-40 (TTAB 1989), *aff'd without opinion*, 17 USPQ2d 1726 (Fed. Cir. 1990).

Decision: The opposition is sustained on the ground of likelihood of confusion and registration to applicant is refused on this basis.

T. J. Quinn

P. T. Hairston

C. E. Walters  
Administrative Trademark  
Judges, Trademark Trial  
And Appeal Board